

NEWS RELEASE

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CORPORATE OPERATORS OF M/V SELENDANG AYU TO PLEAD GUILTY TO CHARGES STEMMING FROM GROUNDING IN ALEUTIANS

Anchorage, Alaska – United States Attorney Nelson P. Cohen announced today, August 14, 2007, that IMC Shipping Co. Pte. Ltd.(IMC), a Singapore corporation, has entered into an agreement to plead guilty in federal court to two violations of the Refuse Act for the illegal discharge of oil and soy beans and one violation of the Migratory Bird Treaty Act for the killing of thousands of migratory birds. The charges arose from the investigation into the grounding of the M/V Selendang Ayu on December 8, 2004.

A three-count information was filed in federal court today together with a plea agreement indicating that IMC intends to plead guilty to the charges and pay a criminal penalty of \$10 million. The criminal penalty includes \$4 million in community service—specifically, \$3 million to conduct a risk assessment and related projects for the shipping hazards of the area where the M/V Selendang Ayu went aground near Unalaska Island, and \$1 million for the Alaska Maritime National Wildlife Refuge, Aleutian Chain Unit where the ship went aground. IMC has also agreed to serve three years probation which includes an audit of IMC's maintenance program. The plea agreement includes a factual basis for the guilty pleas.

In connection with the guilty plea, Assistant U.S. Attorney Andrea Steward filed a notice to the court that the parties request a date of August 22, 2007, to enter the plea and conduct the sentencing in this case.

The captain of the M/V Selendang Ayu, Kailash Bhushan Singh, previously pled guilty in <u>United States v. Singh</u>, A05-0025, on April 1, 2005, to a charge of making a false statement during the casualty investigation regarding the time the engine was shut down prior to the grounding of the M/V Selendang Ayu.

The plea agreement in this case addresses only IMC's criminal culpability. The state and federal trustees are continuing to assess natural resource damages from the spill. This plea agreement does not limit any civil liability that IMC may have to any person or entity as a result of the spill.

Mr. Cohen praised the efforts of the investigators that led to the prosecution of IMC. The investigation was conducted jointly by the U.S. Attorney's Office, the Environmental Crimes Section of the Department of Justice, U.S. Fish and Wildlife Service Office of Law Enforcement, the U.S. Environmental Protection Agency's Criminal Investigation Division, the Federal Bureau of Investigations, and the U.S. Coast Guard.